

# STRUCTURED CHARITABLE GIVING

## WAYS TO GIVE



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### IDEAL FOR

### WHAT'S THE BENEFIT?

### HOW TO DO IT

#### APPRECIATED SECURITIES

Donors who own publicly-traded securities or employee stock options that have significantly increased in value.

This option means donors can eliminate capital gains tax, which means you can give the same amount at a potentially lower cost. This option also means donors are eligible for an income tax receipt based on the fair market value of the shares received.

Shares can be electronically transferred from your brokerage account directly into Covenant Foundation's account. We will provide you with a Letter of Authorization form to be completed by you and your broker.

#### GIFT OF A NEW LIFE INSURANCE POLICY

Donors who are in good health and who wish to make a significant donation in the future.

Donors will receive income tax receipts for ongoing premiums paid after ownership of the policy is transferred. Donors are eligible for a tax receipt for fair market value of the policy and are able to give a significant gift in the future while enjoying income tax relief today.

Create, keep and fund a policy while naming Covenant Foundation as the beneficiary, or create a new policy, transfer ownership of the policy to Covenant Foundation and continue funding the premiums.

#### GIFT OF AN EXISTING LIFE INSURANCE POLICY

Donors who own life insurance policies that are no longer required. These policies can be fully paid or still have premiums owing. Donors with other investments/assets that are sufficient to provide for their families.

Receive income tax receipts for ongoing premiums paid after ownership of the policy is transferred. The donor would be eligible for a tax receipt for fair market value of the policy. These donors have assurance that a significant gift will be made in the future while they have the benefit of income tax relief today.

Transfer ownership of a life insurance policy to Covenant Foundation. Continue to pay premiums, if necessary. In some circumstances, Covenant Foundation may be able to take responsibility for the premiums.

#### RRIFs/RRSPs/TFAS

Donors without dependents or those whose dependents are fully financially secure.

Your estate will receive an income tax receipt to offset any taxes owing at death.

Name Covenant Foundation as the beneficiary of your RRIF, RRSP, or TFSA.

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#### GIFTS IN WILL

Supporters of Covenant Foundation who wish to continue to support charities they are passionate about.

Your estate will receive an income tax receipt to offset any taxes owing at death.

Include a gift in your will, indicating a specific donation amount or a residual percentage of your estate.

#### CHARITABLE REMAINDER TRUST

Donors who wish to receive immediate tax savings, while retaining use of or income from an asset.

The donor retains the use of or income from the asset and can obtain a donation receipt for the present value of the remainder interest.

Transfer a property, such as real estate or investments, into a trust to be managed by a trustee. Name Covenant Foundation as the remainder beneficiary and keep an interest in the property. After a set amount of time, or upon death, the asset is transferred to Covenant Foundation.

#### CHARITABLE GIFT ANNUITY

Older donors looking for guaranteed income for life.

This option means you can make a gift to Covenant Foundation while securing guaranteed income for life. An annuity is made up of two parts: a gift to Covenant Foundation for which the donor receives a tax receipt, and a guaranteed stream of income for the donor and the donor's surviving partner.

A minimum of \$50,000 is transferred to Covenant Foundation. At least 20 per cent is counted as an immediate donation for which the donor receives a tax receipt. The remainder is used to purchase an annuity from an insurance company providing a guaranteed income.

*Our full legal name is Covenant Foundation. Charitable Registration Number: 125868125RR0001.*

*The information provided is general and donors interested in structured gift planning are encouraged to seek legal and financial planning advice.*